```
19
20
21
22
23
24
25
                                                      2
 1
 2
        APPEARANCES:
 3
 4
        Chairman Legislator Lou D'Amaro
 5
        Co-Chairman Legislator Daniel Losquadro
        Dr. Seth Forman
 6
 7
        Lisa tyson
       Neil Lederer
 8
        Dr. Robert Lipp
 9
10
        Pat Byrne
11
        Dr. Joseph A. Laria
```

12	Alice Willet
13	
14	John Clahane
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
	3
1	10/24/06
2	CHAIRMAN D'AMARO: Ladies and
3	gentlemen, good evening. Thank you
4	very much for taking the time out to

5	come to this meeting of the Suffolk
6	County Commission to Examine School
7	District Expenses and Deficiencies.
8	To start the commission off this
9	evening, I'm going to ask you to
10	rise for the pledge of allegiance,
11	lead by Legislature Losquadro.
12	(At this time the Pledge of
13	Allegiance was said.)
14	CHAIRMAN D'AMARO: For those of
15	you who are here this evening to
16	speak and address the commission,
17	I'm going to ask you to indulge us
18	for a few minutes. We have someone
19	with us, this evening, who is going
20	to make a brief presentation to the
21	committee, the commission, rather.
22	After that we'll get to the public
23	portion. Anyone who has filled out
24	a green card and wants an

1	10/24/06
2	your ideas with us this evening, and
3	again, we appreciate you being here
4	today.
5	To start off I would like to
6	call on Gary Bixhorn, who is with
7	Eastern Suffolk BOCES, and we would
8	like to thank you very much for
9	helping us in what we're trying to
10	do here. Please go ahead.
11	MR. BIXHORN: Thank you. I would
12	like to thank the commission for
13	your invitation to make a
14	presentation this evening, and I'll
15	do my best to move through it as
16	quickly as possible. There is quite

a bit of information here, and I

I		
	18	have done this a few times. It
	19	takes about half an hour, but I'll
	20	move along this evening. I
	21	understand you have got time

10

23 Innovate Long Island is a 24 planning effort that the Long Island Association initiated this year. 25 In

constraints.

5

10/24/06 1

2 essence what the LIA wanted to do they wanted to seize the opportunity 3 with the upcoming election and 4 legislative session to identify 5 priorities for Long Island, and in 6 7 essence the LIA engaged in a strategic planning effort on an 8 island-wide basis. 9 The Innovate

Long Island work product is a rather

11	comprehensive document. There are
12	copies available from the Long
13	Island Association. I don't have
14	them for the committee this evening.
15	I'm certain the association will
16	provide them to the commission. The
17	LIA established a number of
18	committees in a variety of critical
19	areas to focus on economic planning
20	for Long Island. They're identified
21	on the screen. Human resources,
22	affordable housing, quality of life
23	education. One of the
24	subcommittees, K-12 costs and
25	outcomes, are focused on the cost of

1 10/24/06

2 education on Long Island and the

3 educational outcomes of students on

4 Long Island. 5 The other committees look into a variety of other areas. The primary 6 7 goal of each committee and subcommittee was to identify certain 8 9 action items that could be 10 implemented to benefit Long Island economic planning. There is a long 11 12 standing relationship between the 13 LIA and the educational community. 14 Since 1996, when the two groups started working together, we have 15 16 updated, we have produced, and updated, reports that focused on 17 18 educational spending and focused on 19 educational outcomes. You may 20 remember in the early '90's there 21 was rather a contentious period 22 between the business community and 23 the educational community, and it

was at that time the two groups came together and decided that is was

1

14

15

16

7

The

2	important to get a set of data upon
3	which everyone could agree. So, at
4	least if they were going to disagree
5	they would be disagreeing based on
6	facts, that would improve the
7	discourse between the groups. It
8	really has grown into a wonderful
9	cooperative effort over the last few
10	years. I can tell you on Long
11	Island the business community and
12	the school community has established
13	a relationship that is unequal to

any other region in the state.

LIA has been provided a lot of

leadership in terms of responding to

10/24/06

17	the state aid needs of our schools
18	responding to the CFE situation that
19	has developed over the years. They
20	established Long Island Works, which
21	is a group that promotes school
22	business partnerships. They have
23	been at the forefront of
24	establishing coordinated efforts
25	between Long Island Universities and

1	10/24/06
2	school districts. So, they've
3	really, really stepped up to the
4	plate and made a difference as far
5	as education on Long Island is
6	concerned.
7	This report is an update,
8	provides an update of past reports.
9	It is the most recent information

10	that is available. It is all based
11	on information that's been bedded
12	(phonetic spelling) by the state
13	education department, state
14	comptroller's office, the state
15	department of labor. This all comes
16	from sources within state
17	government. Basically, what we have
18	done is we have looked at just about
19	every input possible in terms of
20	spending, and we have looked at all
21	of the output data available from
22	the state education department. All
23	of the data in the report is
24	arranged in 18 different tables.
25	Each one is documented in terms of

1 10/24/06

2 the source data, based on the facts

that we were able to identify as a 3 4 result of analyzing the data. In 5 each one of those tables we 6 identified 20 key facts. Based on 7 the 20 key facts about Long Island 8 education we established a set of goals, or what we call, priorities 9 for statewide school finance reform. 10 11 So, what I would like to do now is walk you through the key facts, 12 and the conclusions that we drew 13 14 based upon these facts. You have 15 been provided with a copy of the 16 report, which is the gray document 17 that is in front of you. 18 document is actually included within 19 this document. But it is an 20 appendix to the larger report. What 21 you have in front of you is the C12 22 cost and outcome report, which is

the subject of my presentation this

16	Island has 125 school districts.
17	What we did is we identified 89
18	school districts that met the
19	following criteria: K12 educational
20	programs and had an enrollment of
21	greater than 1,500 students. So,
22	basically we identified a core group
23	of school districts, and based out
24	of those 89 school districts we
25	looked at the results coming out of

1 10/24/06

the top nine and the bottom nine.

So, in essence we looked at the top

ten percent of school districts and

the bottom ten percent of school

districts by wealth data. Wealth

was determined using the combined

wealth ratio. Combined wealth ratio

9	is an indicator that has been used
10	for years by the state education
11	department. It is a measure of
12	income wealth and property wealth in
13	each school district. When you fill
14	out your state income tax form you
15	notice there is a code for your
16	school district. That information
17	is drawn together up in Albany, and
18	there is an aggregate per pupil
19	income established for your
20	community, and, also, a per pupil
21	property wealth data for your
22	community. That information is
23	pulled together and there is a
24	combined wealth ratio. What it
25	allows us to do is compare wealth

12 1 10/24/06

3 So, we know the relative wealth of everyone of the 700 school 4 5 districts in the state. 6 The first table that we are 7 displaying shows the outcomes of Long Island students on the 8 9 assessments compared to students 10 from across the rest of the state. 11 As you can see, on every one of the 12 assessments from grade four English Language Arts, social studies, 13 14 mathematics, science, eighth grade 15 ELA and social studies, math and In every one of the tests 16 science. 17 Long Island kids do considerably 18 better than kids from across the 19 rest of this state. These are kids 20 performing at level three and four. 21 Level three and four represents

across the state.

either meeting or exceeding the 22 state's standards. 23 24 The other thing that even makes 25 these numbers more impressive in the 13 10/24/06 1 2 rest of the state is we do not 3 include New York City data. If we were to include New York City in the 4 5 rest of this state those numbers 6 would be drawn down. So, actually we are even doing better than this 7 chart would indicate. 8 The next table is the percentage 9 of kids scoring 65 or better on 10 11 regents exams. That's kids passing 12 regents exams. You can see, again, 13 when you compare Long Island students with the kids in the rest 14

15	of the state, on every one of the
16	regents exams Long Island students
17	do better than kids in the rest of
18	the state. In essence, the outcomes
19	based on the data for Long Island
20	students is very impressive in terms
21	of by every measure our kids out
22	perform students from the rest of
23	the state. What those averages tend
24	to mask, and the averages are very
25	impressive, there are dramatic

1	10/24/06
2	differences in terms of performance
3	when you look at district by
4	district on Long Island.
5	Earlier I mentioned to you that
6	we identified the wealthiest and the
7	poorest districts on the Island, and

8 we compared the outcomes of those 9 districts. In this next table it gives the data that substantiates 10 11 the difference. 12 Just to look at one, these are the five regents exams that are 13 14 required for high school graduation. These are the five most common 15 16 regents exams. You can see on the English regent, close to 90 percent 17 18 of all the kids on Long Island pass 19 the test. If you look at those nine 20 wealthiest districts it is close to 21 96, 95.7 percent scored 65 or 22 better. If you look at those least wealthy districts the passing rates 23 24 drops to 78 percent. If you look at

each one of these tests in each one

10/24/06

kids on Long Island are classified
as being limited English
proficiency. These are kids that
grow up in houses where English is
not the first language. If

1	10/24/06			
2	you desegregated this data Suffolk			
3	County has a higher percentage than			
4	Nassau County. But, if you look at			
5	the differences the county of			
6	Cortland County has half a percent			
7	of kids classified as limited			
8	English proficient. Long Island,			
9	five percent. The one thing I have			
10	to mention in terms of looking at			
11	these counties, enrollments in			
12	counties, you have to recognize Long			
13	Island when you combine Nassau and			

14	Suffolk has an enrollment of close
15	to half a million kids, and in some
16	cases we are comparing enrollments
17	in counties where the aggregate
18	enrollment in all of the school
19	districts is less than a thousand.
20	So, you really have to look at the
21	differences between the data related
22	to each one of the counties. I
23	believe in the Appendix A of the
24	report there is a county by county
25	breakdown of the enrollment. When

	1'
1	10/24/06
2	you get a chance take a look at this
3	in a little greater detail.
4	Key facts three and four: Long
5	Island's percentage of the kids

graduating with regents diplomas in

Long Island is ranked above the 7 county at the median. A regents 8 diploma is a diploma that has 9 certain criteria established by the 10 state to allow the child to graduate 11 12 with a regents diploma. Ιt 13 indicates a certain degree of rigor in the high school program and Long 14 Island, the percentage of kids 15 16 graduating with regents diplomas exceeds at the median in the state. 17 It is not a large difference. 18 However, when you consider the 19 20 number of kids we have completing 21 programs you're talking about a lot of kids, and a lot more kids 22 23 graduated with a regents diploma 24 than in other regions of the state. 25 However, that tends to mask

1 10/24/06

2	significant differences between the
3	wealthy and least wealthy districts.
4	You will see a much higher
5	percentage in the wealthy districts
6	graduating with regents diplomas
7	than in the least wealthy districts.
8	We'll go back over that data in a
9	minute.
10	In terms of the percentage of
11	kids going on to post-secondary
12	education, again, Long Island ranks
13	high, third in the state among all
14	counties, 90 percent of our kids
15	going to post secondary education it
16	is far higher than the median of 83
17	percent and far higher than the
18	county with the lowest percentage of
19	kids at 71 percent.

Key facts six and seven: The dropout rate on Long Island is low. When you compare it to the rest of the state dropout data is something that the state has worked on over the last few years. There are some

1 10/24/06

different numbers in terms of
dropouts and completers. However,
the numbers that are used in this
particular chart, which are for
comparison purposes, are accurate,
and it is one of the bits of data
that the state has maintained over
long periods of time. It is one of
the few indicators of student
achievement that we have any sort of
historical longitudinal data to

13 review.

L4	The next table gives you a
15	comparison of the kid percentage of
16	kids in the least wealthiest and the
17	wealthiest districts and how in each
L8	one of these indicators that we just
19	talked about. You see that in
20	percentage of limited English
21	proficiency in the least wealthy
22	districts 12 percent of the kids.
23	Limited English proficiency in the
24	wealthiest districts, it is less
25	than five percent. Dropout rate in

20

1	10/24/06
2	the poorest district 6.7 percent.
3	In the wealthiest it is less than
4	one percent. Students graduating

with regents diplomas: Least

wealthy districts 47 percent, the 6 wealthiest districts 83 percent. A 7 very significant difference. 8 9 Percentage of kids going into post-secondary education, wealthiest 10 11 districts 93 percent; poorest 12 districts 77 percent. This is 13 important because there is a 14 perception that Long Island is 15 uniformly wealthy. That Long Island 16 has school districts, and students 17 who come from very wealthy 18 communities supported by very 19 wealthy homeowners is just not the 20 case. 21 When you start looking at the 22 numbers, and we have more data along 23 those lines, Long Island has many, 24 many very large school districts 25 that fall below the state average in 1 10/24/06

2	terms of wealth when you look at the
3	combined wealth ratio.
4	The next set of facts, eight and
5	nine, this is really one of the
6	original findings of the LIA, and
7	the Long Island Education Coalition,
8	when we started working together,
9	and this is something that has
10	picked up some momentum in Albany
11	over the years. This is the fact
12	that state aid dollar, a dollar
13	coming to Long Island is worth far
14	less than it is in other areas in
15	the state, because we have a higher
16	cost of living on Long Island. A
17	thousand dollars going to the lowest
18	cost region in the state is

equivalent of \$668 coming to Long
Island. So, the dollar on Long
Island buys only about two thirds of
what a dollar in the lowest cost
region purchases. However, dollars
are distributed ion the state aid
format, but has very little to do,

## 10/24/06

very little recognition of the regional cost differences.

So, when dollars are divvied up the differences in terms of what a dollar can buy are not considered in any significant way through the state aid format. When you adjust the per pupil cost of schooling on Long Island, and you compare that to other regions of the state, what you

24

25

find is that the cost of the per pupil cost of education on Long Island is 6.6 percent lower than the regions at the median. I mention the regions. The regions are not something that we dreamed up. The regions are based upon the state department of labor data. These are the labor force regions that the state has established, and the regional cost index is an index that has been developed in Albany. is not a locally developed index. As you can see, the nine regions are

23

1 10/24/06

clearly identified on the map.

On the next table the relative

purchasing power of the other \$1,000

in the north country buys \$1,000 5 6 worth of goods and services. Central New York, which is the 7 8 region at the median, it buys \$883 worth of goods and services, and on 9 10 Long Island, all things being equal, 11 it buys \$668 of goods and services. 12 Key facts -- again, when we get 13 to comparison per pupil expenditures you can see that Long Island ranks 14 at \$10,017, slightly below the 15 median of \$10,727 after you adjust 16 17 regional cost differences. If you look at the unadjusted number the 18 actual per pupil cost on Long Island 19 20 is \$14,495. 21 Key facts 10 and 11. These are 22 numbers that people sometimes find 23 hard to believe, but over the last 24 ten years Long Island has

1	10/24/06
2	percentage point annually in per
3	pupil expenditures. The average
4	annual expenditure for the county,
5	the median was 3.2 percent. Taxes
6	have gone up a lot more quickly at a
7	rate much higher than per pupil
8	expenditures. Expenditures are
9	basically the budgets that are
LO	established by the districts so the
L1	districts can control. Taxes are
L2	based upon a combination of
L3	expenditures and revenues, and what
L4	has happened over the years there's
L5	been a shift in terms of the amount
L6	of revenues that had to be generated
L7	locally, because the share of the

25

funding coming from the state has

decreased. That's why the two

percent increase, tends to be

something that people are surprised

at.

The other thing that impacts the

The other thing that impacts the per pupil cost is the number of students. One thing people have

1	10/24/06
2	tended to ignore over the last ten
3	years is that we have experienced
4	annually a 1.8 percent growth in
5	student enrollment. Now, on a
6	year-to-year basis that does not
7	sound like a lot, but when you look
8	at the impact over the course of ten
9	years that's an 18 percent increase
10	of student enrollment on Long

11	Island. Most of you probably live
12	in a school district where
13	construction has occurred over the
14	last few years, or a school that had
15	been closed has been reopened an
16	renovated. What happens as the
17	enrollment in the rest of the state
18	has shrunk, enrollment on Long
19	Island has increased, and,
20	therefore, the share of kids
21	attending school on Long Island, the
22	share of kids statewide attending
23	school on Long Island has grown
24	significantly over that period of

1 10/24/06

2 If you look at the chart that 3 basically talks about the per pupil

time.

expenditures. You see that is a 20 4 5 percent increase during that ten-year period on Long Island. You 6 7 compare that to the county of the median 3.2 percent a year. If you 8 9 look at Wyoming County at the top, 10 54 percent increase. But what is 11 happening in many of these districts 12 the costs have not gone up 54 13 percent. As I mentioned earlier, 14 many counties in the state are 15 losing enrollment. When you combine increasing costs and a significant 16 17 decline in student enrollment that 18 resulted in a huge per pupil 19 expense. Another thing, that is 20 kind of interesting, is if you look 21 at this, is the per pupil, measuring 22 the dual impact of per pupil cost 23 and student enrollment, and the

24	relatively low i	increase in		
25	expenditures, as	s established	in	the

1	10/24/06
2	budgets, and you compare to what has
3	happened in terms of what's happened
4	over the last few years in terms of
5	property taxes, there is a complete
6	disjoint between the two sets of
7	numbers. The percent change of
8	student enrollment, again, over the
9	last ten years shows you there's
10	been an 18 percent increase on Long
11	Island. You can see that the county
12	at the median, that's Oswego County,
13	has lost 5.2 percent with enrollment
14	drop. That just shows you that
15	across the state the number of kids

enrolled in schools has shrunk

dramatically except on Long Island, and if you look at the district that has the number one rate of enrollment is Westchester, the entire growth of population, student population, in New York is occurring down state, and that is happening at the same time that the population is

1	10/24/06

Key facts 12, 13, 14 and 15, this is data that comes directly from the New York State Department of Labor. It comes right off the Department of Labor website, and basically this is information on teacher's salaries. What you will find is that an elementary, the 

shrinking upstate.

10	average elementary teacher's salary
11	on Long Island is \$67,370, and that
12	is only slightly more than the
13	statewide average of \$67,180. These
14	are not numbers that are adjusted to
15	regional cost differences. These
16	are the actual numbers directly from
17	the department of labor. What you
18	see, and the reason we have
19	elementary, middle and secondary as
20	the three groups is basically that
21	is how the department of labor
22	breaks them out. In each one of
23	these categories you can see that
24	the average salary for a Long Island
25	teacher is very similar to the

1 10/24/06

2 salaries of teachers across the

state, and what that tells you is if 3 Long Island is a higher cost region 4 basically the teachers on Long 5 6 Island are pulling down essentially a salary equivalent to the state 7 8 average at a much higher cost 9 region. The next table just provides a 10 11 little bit more material. The 12 department of labor breaks out classified teacher's salaries by 13 14 entry level, by mean, average and experience. And, basically, when 15 16 you have some time you can take a 17 look at the definition as to how they come up with that. Again, in 18 19 each one of the categories the Long 20 Island average is very similar to 21 the state average. 22 The next thing we provided for

you, and there is a longer list 23 inside the report, is the list of 24 the occupations which are comparable 25 30 1 10/24/06 salaries to teachers. You can look 2 3 through the list and pick out the salaries and the teacher's salaries 4 5 are ranked amongst the other occupations. This gives you an idea 6 of the type of work we value similar 7 8 to teachers. 9 Key fact number 16: As a percentage of gross household income 10 Long Islanders spends about 20 11 12 percent more than New York in 13 general. Long Islanders are much 14 heavier dependant on the property

tax on Long Island than other

16	regions of the state. When you
17	couple that with the fact that our
18	costs are actually in line with the
19	rest of the state, our adjusted
20	cost, then it just shows you there
21	is something occurring where the
22	support of education on Long Island
23	had been shifted dramatically
24	towards property tax.
25	The third and fourth paragraph,

L	10/24/06
2	I just want to point out that, on
3	Long Island there are 39 school
4	districts that receive less than ten
5	percent of their income from the
6	state. So, those are districts that
7	are raising 90 to 95 percent of
8	their revenues with property taxes.

9	Out of the entire state there is
10	only 74 districts in that category
11	on a statewide basis, and 39 of
12	them, or 53 percent, are on Long
13	Island. If you go up to the next
14	category of school districts these
15	school districts receive between ten
16	and 30 percent of the revenues from
17	the state. There are 55 in that
18	category, and that is 39 percent of
19	140 school districts that are in the
20	state that are only receiving
21	between ten and 30 percent. If you
22	add together the 39 districts that
23	are getting less than ten percent
24	and the 55 school districts
25	receiving between ten and 30

1 10/24/06

percent, basically 94 school 2 3 districts on Long Island are receiving less than 30 percent or 4 less of their income from the state. 5 6 Those districts are taxing property 7 taxes for 70 percent of their The old system of 8 income. 9 allocating aid in the state, and we 10 still have the remnants of it in the 11 current allocation system where the 12 state shares. In the old days the state would be divided up into 13 14 upstate, New York City and Long 15 Island, and the share of money 16 allocated from Albany would be 17 essentially equal to the percentage 18 of kids in each one of the regions. 19 What has happened over the years is 20 the shares were frozen a number of 21 years ago, and the formula has moved 22 away from the shares, and in essence 23 we have been -- we're currently 24 stuck on a share that is far lower

1 10/24/06

enrolled in our schools. We get
them about 12.7 percent of aid on a
state-wide basis directed to Long
Island, and at the same time we have
about 16.7 percent of the kids in
our schools.

than our current percentage of kids

In essence what's happened is the shares have, as we have undergone growth in students over the last decade and the share was frozen at some point during that time, we have actually grown and that's in part, I think, a major factor behind the

shift of costs from the state to the local level.

Key fact number 18 is the Star 17 18 Program, and the Star Program is a property tax subsidy that provides 19 20 critical tax relief to qualified 21 individuals, and the Star Program 22 was implemented because Long Island 23 is over dependant on property taxes 24 and needed the relief that Star 25 provides. About \$641,000,000 comes

34

1	10/24/06
2	to property tax payors on Long
3	Island through Star. It's critical
4	hardened relief to people that need
5	it. Star is not state aid to
6	schools, and this tends to become a

little bit of a bone of contention

when you start talking about state 8 9 support of schools, and when you start talking about the degree to 10 11 which the state is supporting school 12 costs a lot of the -- there is a 13 difference because state support, as 14 the way it is looked upon in Albany, 15 includes Star, and, indeed, Star 16 does go to provide tax relief, which is in large part due to property 17 18 taxes. However, Star is not aid that 19 20 comes to school districts. If that \$641,000,000 came to school 21 22 districts obviously taxes would be, 23 the tax rate or the tax levy that 24 the school districts establish would 25 be lower. It is a simple fact.

1 10/24/06 2 Star is a targeted tax subsidy absolutely critical to people on 3 Long Island, and we're no way 4 diminishing the importance of Star. 5 What we're saying is Star is not 6 7 school aid. The next chart is something you 8 9 probably want to take a look at 10 after I finish my brief 11 presentation. I just want to point 12 out a couple things here. What you 13 have here is on a county-by-county 14 basis. You can compare the 15 percentage of revenue coming to your 16 school districts from the state. 17 You can add the Star subsidies, if 18 you wish, if you want to consider Star state support. The third 19 20 column shows you the total of state

support for your schools. In

Suffolk County the total is about

30, just under 40 percent. In

Nassau County it is far lower, about

25 percent. On an island-wide

1	10/24/06
2	basis, 33 percent. If you look at
3	the first column that gives you the
4	state aid, and you can see the Star
5	is pretty much distributed evenly
6	across the board and across the
7	state. The numbers here that would
8	tend to jump out at you, we get next
9	to no federal aid considering all of
10	the mandates we get from the federal
11	government. We're being
12	shortchanged there.
13	But if you look at the level to

which schools on Long Island are dependant upon property taxes, and you compare that to the rest of state, you can see on Long Island we're raising just about 65 percent of our revenue through property taxes, and in the rest of the state that number is about 45 percent. That is a significant difference between Long Island and the rest of

I have only got two more facts.

the state.

10/24/06

Key fact number 19 is something that everybody has been involved in.

Long Island economics for years knows we send up a much greater share of both income tax and sales

tax then we get back in aid from 7 8 Albany. About 30 percent of annual 9 taxable sales statewide, excluding 10 from Long Island and about 36 11 percent of state income tax, again 12 excluding New York City coming from 13 Long Island far less than the share 14 of aid that we get back for schools 15 or any other governmental unit. 16 Key fact number 20, this is one 17 that I think everybody should pay a 18 little bit of attention to. 19 goes back to that perception that 20 Long Island is uniformly wealthy. 21 It is not the case. If you look at 22 where the kids are, and where the 23 large numbers of kids are, there are 24 large numbers of kids in property 25 poor school districts. If you look

1 10/24/06

2	in eastern Suffolk County, the
3	region which I work, 66 percent of
4	the kids in eastern Suffolk County
5	are in school districts of below
6	average wealth. In western Suffolk
7	that drops to about 28 percent. In
8	Nassau county it is about 9.9
9	percent. Overall on Long Island 34
10	percent of the kids, or over a third
11	of the kids, are in school districts
12	that are below average wealth. This
13	is using that combined wealth ratio
14	as the measure of wealth.
15	Basically, to summarize by every
16	measure our kids are doing better
17	than kids in other regions in the
18	state. However, there is a gap
19	between kids in wealthy and poor

districts. Our costs are in line
with the rest of the state after you
account the regional cost
differences. Property tax burden is
disproportionately heavy for Long

25

23

24

39

1

12

10/24/06

Islanders. Long Islanders 64

percent of school costs. With property taxes it's opposed to 44 percent in the rest of the state, and, in essence, leads us to the conclusion that the Long Island system of financing schools needs to be reformed. And what really needs to happen is within the context of statewide reform the tax relief is needed for Long Island, and it really should come from additional

aid, additional support from New York State.

What we believe should be the states priorities as they engage in the school finance reform, what they'll be doing over the next few months, hopefully as a result of the TFE situation is the state must substantially increase education funding. Even an additional 3.9 billion dollar increase statewide will only raise the state's share to the national average of 48.6

1 10/24/06

percent. That means if you rank the

50 states the average level of state

support among all the states is 48.6

percent. We are below that by about

3.9 billion dollars. If there is 6 additional funding built into the 7 state aid formula we would then rise 8 to the national average. 9 If you 10 remember a few years ago there was 11 an advocacy for fifty-fifty funding. 12 Fifty-fifty funding would require more than the, obviously, 3.9 13 14 billion dollars. In terms of 15 reforming the state aid formulas 16 what is most important from a Long Island point of view is that the 17 regional cost differences be 18 factored into the formula in a 19 20 significant manner. School 21 districts needs, based upon 22 demographic achievement and wealth data, has to be built into the 23 24 formulas. We believe that every 25 school district should get a share

1	10/24/06
2	of state aid. We believe there
3	should be a multi-year appropriation
4	so that the school districts can
5	plan on a multi-year basis, and the
6	existing complex system, essentially
7	nobody understands, should be
8	simplified.
9	All of this will result in
10	increased funding appropriately
11	allocated will provide tax relief to
12	Long Islanders, and that's the
13	bottom line in terms of our
14	particular focus and this
15	presentation. And as an additional
16	point in recognizing reform is going
17	to be difficult to achieve even in
18	the absence of reform the very

19	simple adjustment, I'm saying
20	simple, mathematically simple,
21	adjustment of the shares to reflect
22	our actual enrollment on Long Island
23	would generate an additional
24	\$680,000,000 for Long Island
25	schools. In the absence of reform
	42
1	10/24/06
2	just acknowledgement of shares would
3	be a stop gap measure that we
4	believe is essential. Thank you.
5	Sorry I took so long.
6	CHAIRMAN D'AMARO: Thank you
7	very, very much for that informative
8	presentation. Did anyone on the
9	commission have any questions of

Mr. Bixhorn?

MS. TYSON: One clarification.

10

12	When one graduation reaches 32
13	percent is that there so much lower
14	or when we are looking at graduation
15	and groups maybe it's a different
16	clarification?
17	MR. BIXHORN: I mentioned it in
18	the report and it is too complicated
19	to get involved with. But the state
20	has changed the way in which they
21	look at dropouts opposed to
22	completors, and you have probably
23	heard the commissioner talk, over
24	the last few months, about the
25	percentage of kids that finish

1 10/24/06

2 school in four years opposed to five

3 years. It is a far lower percentage

4 than is reflected in, if you simply

look at the dropout rate of six or 5 6 seven percent subtracted that from a hundred percent. The difference is 7 8 the old dropout rate data is 9 basically based upon formal legal 10 dropout from schools, and that is 11 the data that has been maintained historically by the department. 12 In 13 essence, it really understated the 14 number of kids that are leaving 15 school before 12th grade. In the 16 absence of any other historic data that's what we're working with. 17 18 So, the numbers that are being 19 more commonly quoted now, 60 or 65 percent of the kids are graduating. 20 21 That district may still show a 22 dropout rate of seven, eight or nine 23 There is a discrepancy and percent. 24 something that the department has

	4
1	10/24/06
2	years to try to justify, explain the
3	differences between the two numbers.
4	It's been a major challenge.
5	MS. TYSON: Would regents
6	these changes, people are not able
7	to graduate without a regents
8	diploma, does it change what is
9	going to happen there?
10	MR. BIXHORN: That changed a few
11	years ago. The capacity of schools
12	to offer local diplomas has greatly
13	diminished. The state really phased
14	in the requirements. I think last
15	year was the first year that they
16	were fully phased in. These numbers

are a few years old, because it

takes the state a few years to

verify. These numbers I think this

are 2004 2005 data. Those

percentages will increase over the

next couple of years.

23

24

25

10

DR. LIPP: Thank you. I have a quick question for you. One of the conclusions after key fact 20

45

1 10/24/06

2 indicate went in line with the state after costs ing for regional costs 3 per pupil, 6.7 percent below the 4 statewide median. But I think the 5 point there is that tax spending 6 7 from all sources -- your reports 8 also concluded we're too heavily 9 dependant on the property taxes to

get this ease of spending.

11	MR. BIXHORN: We make the point,
12	elsewhere in the report, I might
13	have skipped it, we say our tax
14	burden is heavier in our part of the
15	state. Long Islanders use 20
16	percent more of the gross household
17	income to pay their property taxes,
18	and at the same time our costs are
19	in line. Som what is the problem?
20	If our spending is in line and our
21	effort is greater, than the problem
22	is where we're picking up too much
23	of the tab of the property tax.
24	CHAIRMAN D'AMARO: I guess
25	another way to say that the state

1 10/24/06 2 aid -- through you when is scued to

our disadvantage.

file:///G|/Inetpub/wwwroot/myweb/Legislature/clerk/cmeet/SE102406.htm (61 of 145) [10/31/2006 5:33:02 PM]

MR. BIXHORN: Yes, regional costs 4 5 are not recognized. I don't believe the needs shown by the data, of the 6 7 kids in the school districts is 8 necessarily recognized. We have a lot of kids. As that last slide 9 10 indicates we have a lot of kids in 11 very poor school districts. 12 CHAIRMAN D'AMARO: Do you know, 13 offhand, if the state aid that came 14 down most recently changed those 15 numbers at all? 16 MR. BIXHORN: The shares are 17 all not significantly. 18 DR. LIPP: I was wondering if you 19 knew of any research that looked at 20 whether or not to what extent 21 economies scale for insurance when 22 you look at the costs and do people 23 base -- it is a good way of

has been on school districts and

school district organization. It is 17 not something that we looked at as 18 19 part of this particular study. Co-CHAIR LOSQUADRO: To follow-up 20 21 on that thought, I notice that in a 22 lot of figures we see New York City 23 included or excluded. If you look at the economy of scale New York 24 25 City is obviously run as a city wide

1	10/24/06
2	district. I sincerely doubt that
3	their numbers are fair numbers. In
4	fact, since we exclude them from the
5	data I imagine they are far worse?
6	MR. BIXHORN: Their per pupil
7	expenditure would probably be lower
8	than ours. The reason we excluded
9	New York City from the comparisons

10	is that the system is almost a state
11	unto itself. In other words, their
12	system of support is so much
13	different. They have very low
14	dependant on the property tax as
15	opposed to other districts, and they
16	have the ability, since they're run
17	by the City government, the budget
18	established for the board for the
19	city school board is more completely
20	integrated with the City budget.
21	One of the issues that is going to
22	come up around CFE, Campaign for
23	Fiscal Equity, and the whole

question for support of city schools

the courts have said the schools are

1 10/24/06

2 underfunded in New York City. The

file:///G|/Inetpub/wwwroot/myweb/Legislature/clerk/cmeet/SE102406.htm (65 of 145) [10/31/2006 5:33:02 PM]

24

real question there is, how much are 3 they underfunded, but why is the 4 underfunding occurring? Is the City 5 picking up their fair share of the 6 7 cost of education, and are they 8 looking for the state to make up 9 for, you know, for the deficiency. 10 I think that is going to be the 11 critical question in terms of how all this spans out with CFE, and it 12 13 is something that really needs a very critical line in terms of 14 identifying the burden that the City 15 has put on itself to support it's 16 17 own school system. 18 DR. LIPP: My concern is if you 19 look at the Campaign for Fiscal 20 Equity and the theory there is lots 21 of money for the state to give to 22 New York City, as what I see.

24 state aid to Long Island school 25 districts would become a smaller 50 10/24/06 1 2 piece of the pie. If you think it 3 is bad now you ain't seen nothing yet. What we're talking about here 4 5 is approaching -- we should get a bigger piece of action. We renovate 6 7 school districts. The students and 8 in terms of also, or the -- we 9 reviewed by the state. When you look at the key chief -- against 10 11 we're achieving -- my let's -- on 12 back in the state is looking at --13 Therefore, we need to give more 14 money to the City. Some poor

schools, some happen to be on Long

Hopefully, I'm wrong. If anything,

23

I

Island. What I'm not seeing is that 16 I'm not capable of doing it myself 17 is that, does the reality or a 18 reality check to say, hey, we need 19 20 to think of alternatives. We can 21 approach the -- here the state in 22 all -- done. If you have any 23 brilliant ideas. That is not a 24 simple question to answer. 25 MR. BIXHORN: Well, the key to

1	10/24/06
2	our what we established
3	priorities for state school aid
4	reform essentially in two parts:
5	One was increase the size of the
6	pot, and the secondly distribute the
7	pot and distribute the pot fairly
8	and in accordance to need. That is

9	the billion dollar, multi-billion
10	dollar question.
11	DR. LIPP: I think it is called
12	the \$64,000 question.
13	MR. BIXHORN: Substantially more
14	than \$64,000.
15	But the answer to that question,
16	is the reform of the state aid
17	formula, or the restructuring of the
18	state aid formula, is something that
19	they talked about in Albany for
20	years. I think the governor called
21	it a dinosaur in the state of the
22	state speech five or six years ago.
23	That has not generated enough
24	interest to make significant changes
25	to it. The other thing, we talk a

1 10/24/06

lot about the formulas. The 2 3 formulas went through a major reform in the mid '90's, and almost 4 5 immediately, after they were 6 reformed, they were capped because 7 they were unfunded. 8 So, one of the issues that came up, and this is a late '90's issue, 9 10 was let the formulas run, and we 11 have several school districts in 12 Suffolk County that were rolling out 13 enormous numbers, additional millions of dollars coming into 14 15 several very poor school districts 16 in the counties have the formulas 17 fully funded and run. So, one thing 18 we don't even know is perhaps the 19 formulas that exist may work, even 20 though there is not a significant 21 recognition of regional cost

differences. There is recognition
of wealth and need, but the
formulas, in essence, almost
immediately after they were

1	10/24/06
2	developed, were capped and they've
3	never really been allowed to run.
4	So, the reform people that are going
5	to look at these formulas, and I
6	assume it is going to be up to the
7	people in Albany to do it. Probably
8	they'll start and look at the
9	existing formulas and does some what
10	ifs and see what would happen if the
11	existing formulas were allowed to
12	run and they were fully funded.
13	Because a number of years ago there
14	were significant amounts of dollars

being held back because the money was not there to fund them.

DR. FORMAN: I want to thank you,
Gary. That was an excellent
presentation. You had a lot of
great data in it, but it wasn't
material that we were not at least
vaguely familiar with. For the most
part we do not get our fair share of
state aid. Long Island schools are
good. They are. We appreciate your

1 10/24/06

hard work. One of the discussions,
or the elements of the discussions
we have been having on this
commission, Legislators D'Amaro and
Losquadro, was we really want to try
to help make changes on the margins.

8 We want to, I understand that your presentation shows that when we do 9 adjust our spending is in line with 10 11 the rest of the state, or even better. I'm wondering if you can 12 13 give me some feedback, either now or in writing at some point, about the 14 role that perhaps BOCES could play 15 16 in the future reducing expenditures. One of the things that has been 17 bantered around, since I have worked 18 on the financing government on Long 19 20 Island Report of the State Property 21 Tax Commission on Long Island in the early '90's, was that in some sense 22 23 BOCES had become almost, for lack of a better way to phrase it, part of 24 25 the problem, in the sense that it

helpful to the commission.

MR. BIXHORN: I would be happy to

do so. I assume that you don't want

me to do that right now. I can

either provide you it in writing or

set up a work session. We have

1	10/24/06
2	plenty of information, and I'm
3	familiar with the concerns about
4	BOCES, and I think there are answers
5	to those questions. But, the bottom
6	line is BOCES is structurally a
7	terrific resource for all of New
8	York State, and I think it is an
9	underutilized resource, and I think
10	the more people that participate,
11	the more sharing that occurs, the
12	more cost effective the services
13	become.

1		
	14	So, I would be happy to pr
	15	the commission with additional
	16	services.
	17	CHAIRMAN D'AMARO: Dr. For
	18	thank you for raising that poi

CHAIRMAN D'AMARO: Dr. Forman,
thank you for raising that point.
Our primary responsibility in this
commission is to look at ways of
being more efficient in our cutting
expenses, of course, without
effecting those marks that the
students are showing in performance.
What I would like to do is to be

provide

1	10/24/06
2	able to reach out to you about
3	coming back and doing a work
4	session, if you make yourself
5	available, so we can at least get
6	some answers to those questions as

,	WCII.
8	MS. WILLET: Refresh my mind, is
9	it true that the capping has a more
10	unfair effect upon Long Island?
11	MR. BIXHORN: On the state aid
12	formulas?
13	MS. WILLET: Yes.
14	MR. BIXHORN: It is such an old
15	issue. It is like I said it, is
16	something that had not been really
17	addressed for a long time. We're so
18	far off a formula that it is
19	something that has not been assessed
20	in a long time. Initially, when the
21	caps were initially implemented it
22	did have a more dramatic effect down
23	state than it did on other regions
24	in the state.
25	CHAIRMAN D'AMARO: Any other

well.

1	10/24/06
2	questions? Mr. Bixhorn, thank you
3	very, very much for making yourself
4	available and your presentation.
5	MR. BIXHORN: I failed to
6	acknowledge Andrea Grooms, a
7	researcher with our organization,
8	who did most of the work in this
9	report, and two other people on the
10	staff, Shea Diguera and Candice
11	Wexilacka (phonetic spellings) who
12	were also instrumental in putting
13	this cost report together.
14	CHAIRMAN D'AMARO: We appreciate
15	their efforts as well. We'll be in
16	touch.
17	Very briefly, if you arrived late
18	and would like to address the
19	commission be sure to fill out a

green card. If anyone needs one
we'll get one to you right away.
We're going, now, to go call up
in the order that they have been
received. Those who want to

address the commission just a few

59 1 10/24/06 2 quick ground rules. We ask that you kindly keep your comments to what 3 this commission is trying to do, 4 explore and that is, as I mentioned 5 earlier, school district expenses 6 and recommendations with respect to 7 cost cutting efficiencies, and 8 9 further, because of time constraints as we've done at our first meeting, 10 11 we will limit each speaker to

roughly five minutes. I'd

25

13	appreciate that. Gather your
14	thoughts, what is on your mind. I
15	do ask you be mindful of the
16	five-minute rule.
17	With that said, I would like to
18	call the first person on the list,
19	which is Allan Gerstenlauer.
20	Good evening, sir.
21	MR. GERSTENLAUER: Good evening.
22	Thank you for your invitation to
23	speak before you this evening. My
24	name is Allan Gerstenlauer. I am
25	the superintendent of the Longwood
	60
1	10/24/06
2	Central School District in Middle
3	Island.

A few weeks ago the state

education department released a list

4

identifying 75 school districts that 6 7 are in need of special assistance from the state because of low 8 9 performance by students with disabilities, and they identified 10 11 they were determined by graduation 12 rates, dropout rates, performance on 13 the fourth and eighth grade ELA and 14 math assessments. 15 In his press release the 16 commissioner cited, what I thought was a very interesting statistic. 17 18 He said that 55 percent statewide of students with disabilities are in 19 20 the 75 districts that he identified 21 as needing assistance. There are 22 somewhat over 700 districts in the 23 state, so we're talking about a 24 little bit better than half the 25 population of pupils with

1 10/24/06

2	disabilities being in about ten
3	percent of our schools. It strikes
4	me, while every school district has
5	it's own set of challenges, I submit
6	that districts like Longwood with
7	large populations of vulnerable
8	students due to poverty, children
9	with limited English proficiency,
10	special needs, those districts face
11	some unique challenges in assuring
12	that every child is successful. I
13	believe that Longwood is up to
14	meeting those challenges, and in
15	terms of the deficiencies that
16	you're talking about, there are a
17	couple of things that I would like
18	to share with you in terms of what

we have done over the last several year ago and some of the concerns that we have.

Several years ago we embarked on an effort with BOCES to provide special education services in a more efficient and effective manner, and

10/24/06

we began by identifying students who
we traditionally would have
tuitioned over to BOCES programs,
and with the thought in mind of
bringing those students back into
our district to provide the services
in house rather than in
out-of-district placement, and with
the thinking being that children
would probably be better off served

12	in their home schools, and that we
13	may be able to realize some cost
14	savings through tuition and some
15	commonness of scales, as we have
16	mentioned. That was a fairly
17	successful program, and once we got
18	down that road it lead to
19	establishing several programs,
20	including an ADA Program for
21	autistic children.
22	In our district, we currently
23	have four classes in our district.
24	We have a fairly substantial program
25	for our life skills students with

1	10/24/06
2	programs in virtually all of our
3	schools, and we have found, again,
4	that students benefited by being

able to attend their home schools, 5 and now we have an ability to offer 6 slots to neighboring schools on a 7 8 tuition basis to those districts 9 that may not have the numbers to 10 sustain the programs that Longwood 11 has. Our next step was to bring BOCES 12 13 classes into our facilities, and 14 that was to the benefit of both 15 BOCES and Longwood. We currently have nine, what they call 811, 16 self-contained special education 17 classes that are housed in our C-4 18 19 buildings, our middle school and our 20 junior high school. That program has been so successful that 21 22 yesterday, in a conversation with 23 our junior building principal, the 24 administration of our junior high

1	10/24/06
2	at an individual student who they're
3	considering for mainstreaming. He
4	is a non-district resident in the
5	BOCES we house in our junior high
6	school. They're hoping to offer him
7	some mainstreaming classes in our
8	program as a test case to see if he
9	can return to some programs in his
10	district. That has been very, very
11	successful.
12	We have also provided, on a
13	regional basis, an extended school
14	year. That is a summer program for
15	students whose IEP's require
16	year-round educational experience.

This past summer we had about 90

18	students that were Longwood
19	residents to attend that program,
20	about 60 students from out of the
21	district attended on a tuition
22	basis.
23	So, we're making some efforts to
24	run a program more efficiently to be
25	able to provide better services and

10/24/06 1 opportunities for those most 2 3 vulnerable students. And while Mr. Bixhorn's presentation focused 4 on state aid I would like to look at 5 6 the other end of that. 7 One of the disappointments that we had, some superintendents met 8 9 with Congressman Bishop last week,

and he advised us right now the

65

11	funding for IBEA looks like it will
12	be about 17 percent which is a
13	reduction of several percentage
14	points from over recent years.
15	Which, again, put's us in a
16	difficult spot. Combined with that
17	the Title One Fund that provides
18	services for our vulnerable kids has
19	been reduced just in Longwood by
20	several hundred thousand dollars in
21	over recent years. So, we're trying
22	to implement programs that we view
23	as cost savings and more efficient.

We're, at the same time, not realizing savings to our taxpayers

1 10/24/06
2 because we are trying to plug the

gap with funding that has been

diminished over the recent years. 4 5 So, my plea is that we be given a fighting chance to do the things 6 7 that we know we can do to provide 8 for the children that are in our 9 charge, and you have a difficult and 10 unenviable task. I ask as we look at ways to explore greater 11 12 efficiencies, combining services providing for special needs 13 children, and different ways that we 14 15 also seek ways that we can guarantee 16 appropriate funding for students. I 17 think this, too, goes hand in hand. 18 If we are to be successful, our 19 children are to be successful. 20 I appreciate your focus on 21 efficiencies, and we also need to 22 look at the other end of that which 23 is to provide adequate funding. I

25	evening, and I don't envy your task,
1	10/24/06
2	but I admire the work that you're
3	doing. Thank you very much.
4	CHAIRMAN D'AMARO: Thank you very
5	much.
6	Next on my list is Dr. Michael
7	Mensch.
8	DR. MENSCH: Thank you for the
9	opportunity to speak this evening.
10	I serve as the Chief Operating
11	Officer of Western Suffolk BOCES and
12	Gary's counterpart, and for the
13	record, Gary, never gives a short
14	report. But they're meaningful and
15	full of relative information.
16	My purpose of being here this

truly appreciate your time this

evening is one, to acknowledge the
work of the commission on behalf of
18 superintendents, our school
boards and the Western Suffolk BOCES
School Board. We know it is
difficult work and requires a lot of
patience. I would like to take a
little different approach to my

comments, as such, beginning by

1	1	10/24/06
2	indicating	to vou

indicating to you I think we recognize that the solution and the problems in front of us are really goalable. To give you an example, at Western Suffolk we have just recently concluded three collective bargain sessions where we settled with our custodians, secretaries,

10	our teachers. With the teacher
11	group we were successful in moving
12	their contribution on health
13	insurance from 10 percent to 20
14	percent. Our family health plan,
15	our Empire plan is \$14,000. So,
16	they used pay \$1,400 contribution.
17	In the course of this contract they
18	need to pay \$2,800 in contribution.
19	For teachers that took a lot of
20	work, and frankly both sides were
21	highly cooperative. The backside of
22	that is that the Empire Plan, across
23	the state, went up 10, 12 and 15
24	percent to the agency. So, it went
25	up \$1,400, and it goes up that every

1 10/24/06

2 year. We know that in terms of

putting a prospective on the 3 4 pressure of school districts, any 5 county agency, the state agency has 6 to meet the bills. To pay the bills 7 is phenomenal. From a global point 8 of view we have to talk, even if it 9 is beyond our sphere of influence, 10 about those kind of factors and various solutions. I was up at 11 Cornell University seeing one of the 12 13 kids and I saw a big bumper sticker that said, there is always money for 14 15 war, there is never money for education. I wonder if there is 16 17 money for health insurance. So, 18 it's just a point. I would like to 19 put a spin on some of the 20 conversation. 21 The other piece of this is civil 22 service. All of our employees, our

clerical got just about a three

percent raise in my agency as part

the their settlement. About ten

1 10/24/06

years experience they make \$40,000.
\$40,000. They got three percent,
they got 1,200 bucks, pretax. In
the past year they have spent over a
thousand. 20 gallons of gas a week
to get to work they spent a thousand
bucks.

Another prospective for us to think about, we're under the gun and the spending and the cost of -- it just doesn't make sense. We need to talk about those things. In terms of BOCES, obviously, we're proud of the work that we do, and I recognize

clearly that we need to contain

costs and are working hard at it. I

would like, also, for us to remember

the fact that many of our vocational

programs, not just in eastern and

western Suffolk, also in Nassau,

we're turning out hundreds and

thousands of kids annually into the

Long Island work force, auto

mechanics, cosmetologists, nurses,

1 10/24/06

plumbers. You name it we're turning
kids out with licenses. They're
going onto the culinary program, and
we can't lose sight of what BOCES
does for the Long Island school
district. Yup we need to watch our
costs and we're working hard to do

9	that. Every year when with the
10	budget time comes around the present
11	governor is always talking about cut
12	the BOCES and BOCES programs. Do
13	you need BOCES? We seem to survive
14	every year. It is something to keep
15	in mind when that time comes upon
16	us. Long Island's economy is
17	dependant, in part, on BOCES
18	operation and the kind of students
19	that we're turning out. It
20	mandates you know public school
21	has always been the democratic
22	pathway in our society. Teach kids
23	how to stay healthy, how to drive,
24	citizenship. You name it. We do
25	it. The mandates are just outlines.

72 1 10/24/06

The mandates without the funding. 2 3 The testing programs, alone, take days upon days to score, and we have 4 5 to pay people to do that. Someone 6 has to stand up and start to talk 7 about that. We're not arguing with higher standards, but they cost 8 9 money in this society. 10 We talked a little bit about the 11 health care and the last comment, 12 again, it may not be in the sphere of -- we're subject to the 13 triborough decision. So, you know, 14 15 I see the heads going. It is really tough to negotiate significant 16 17 changes that, you know, are based on the times. The gas prices can go 18 19 up, LILCO can go up, everything can 20 In the school districts the up. 21 triborough locks us into even if we

23	the point that this commission, our
24	superintendents and citizens can
25	make sort of a global approach it
	73
1	10/24/06
2	would be appreciated. We appreciate
3	the efforts of the commission.
4	Again, thank you.
5	CHAIRMAN D'AMARO: Thank you for
6	taking the time.
7	Next speaker is Charlie
8	Richardson. Good evening.
9	MR. RICHARDSON: Good evening,
10	Ladies and Gentlemen. Thank you
11	very much for the opportunity to
12	address you, once again. I'm
13	hearing the talk that is almost
14	exclusive I know that the

don't settle. The costs go up. To

objective of the task force is to 15 reduce costs, but also study quality 16 issues and study efficiency issues 17 and everybody else is going to talk 18 about the costs. I'm going to talk 19 about the efficiencies. 20 21 You have seen the statistics back since 1965 when Lyndon 22 23 Johnson's Great Society Program entered into effect. There was 24

hundreds of millions of federal

1	10/24/06
2	directed tax payor dollars going
3	into education in greater quantities
4	than before. And, yet, what we're
5	seeing is actually a slump in the
б	quality of the output as far as the
7	measurable quantities of literacy,

the performance of our kids in 8 science, and, so, there is something 9 wrong with this picture. We're left 10 with a decision that any rational 11 12 person would come to. Is there 13 something wrong with our gene pool, 14 or is there something wrong with the system? Which one of those will you 15 16 buy and which one will you do 17 something about. 18 So, let's look at the system. 19 Still here in Suffolk County there are kids who come out of our schools 20 21 and go into the community colleges, and I have been if touch with people 22 in those community colleges, 23 24 recently, and over a period of 25 years, and somewhere around 50

Literacy is an economic issue.

Literacy is costing us a lot of

money. We talked about that before,

in my previous submitted testimony.

We know that anguish of kids of

76 1 10/24/06

2	families who will follow the
3	criminal justice system in some way
4	in both counties are aware of the
5	connection between failure to learn
6	to read and violent behavior, and
7	one of the things that I submitted
8	to you this evening is a chapter out
9	of a book called "Retarding America,
10	the Imprison of Potential". The
11	author, the gentleman, Mike Gooden,
12	(phonetic spelling) who I know very
13	well, he was a, he had a research

24

25

2

3

4

5

6

fellowship in the U. S. Department of Criminal Justice back in the '80's, and he was studying the effects of teaching reading to incarcerated juveniles, and what he found was there was a significant decrease in their -- rate, once they learned to read. He did a lot of other investigations, too. chapter that I have given to you this evening is a chapter called "The Delinquent". Delinquency is

77

1 10/24/06

essential in the community, and what
he is talking about is the ability
to read, and it's a summary of some
of the research that has been done
over the years linking delinquency

7	behavior with failure to learn to
8	read on an almost exclusive basis,
9	especially a student staying
10	focused
11	CO-CHAIRMAN LOSQUADRO: One
12	minute more, just to wrap up.
13	MR. RICHARSON: Okay. I don't
14	feel like I'm on the level with the
15	school administrators, as far as
16	time allowance. I think we're
17	stacking the deck here. So, I don't
18	know how you're going to do it.
19	CHAIRMAN D'AMARO: That is
20	absolutely not true. I really don't
21	appreciate that comment. I'd
22	appreciate it if we keep the
23	comments to a minimum from the
24	audience.
25	MR. RICHARDSON: Okay, my

1 10/24/06

2	previous submission back I gave you
3	earlier, that was about Procly
4	(phonetic spelling) Elementary
5	School in Baltimore, who in the
6	early '90's they made a change to
7	curriculum that was used by a nearby
8	private school, the Talbot School.
9	By the way, this is typical from 90
10	percent minority and five percent
11	reduced how long, and so forth, in
12	about five years the percentile of
13	test scores went up about 18 to 20
14	and went down by a factor of four.
15	Now, I talked to that principal
16	of the school a couple times before.
17	She retired, which was in the late
18	'90's. I asked her what about your
19	costs, did they go up or down? She

21	kept cutting up us. We're down to
22	almost a half of where we were
23	getting before and still had
24	results. I know she's retired from
25	there, and the program is being
	79
1	10/24/06
2	phased out. That was one of the
3	fears of that lady retiring was why
4	that school was not included no
5	excuses that came out from the
6	heritage foundation.
7	LEGISLATOR LOSQUADRO: I gave you
8	some extra time because of the
9	interruption. Very quickly.
10	MR. RICHARDSON: I'll save some
11	other remarks for next time. I'll
12	be seeing you at the next hearing,

said, our costs went down. The city

13	and more to the point. I'm going to
14	throw down that challenge to you
15	which I think is something that
16	CHAIRMAN D'AMARO: Thank you.
17	The next speaker is Shirley
18	Anderson.
19	MS. ANDERSON: We're talking
20	about the cost of education and what
21	Charlie just said is so true. And
22	it seems to be where we get most of
23	your information. This past weekend
24	Lou Dobbs had a principal of a
25	school that had been in the bottom

1 10/24/06

2 school in the state and he brought

3 it up to the top school. It can be

4 done. It will be done. I recommend

5 to you to remember about 30 years

ago when 60 Minutes did a 6 7 presentation of Barbara Collins School in Chicago, a school in the 8 9 basement of the project. 25 years later they went back, and they 10 11 gathered the kids that had been in 12 sixth grade at the time that they 13 had been there before. They got as 14 many of them as they could. They were all black kids. They all 15 16 succeeded. Most of them had gone to 17 college. Not one of them had been 18 in trouble with the law. What did 19 Margaret Collins do that we're not 20 doing in the public school, and that 21 is teaching the structure of the 22 English language. The biggest group 23 of kids that have problems are the 24 ones that cannot read and write and 25 spell. I spent 40 years at this,

1 10/24/06

2	and you give the statistics of the
3	good school districts and the bad
4	school districts. What you don't
5	recognize is that in the wealthy
6	school districts how many of the
7	parents have taken their kid out of
8	the public schools, or if they have
9	them in the public school are having
10	them privately tutored so they can
11	succeed. Yes, we changed the
12	regents. They were not doing well.
13	Now the regent scores are better,
14	but regents are I was speaking
15	recently to a French teacher. The
16	French teacher is now on the fourth
17	grade level. Have we really done
18	anything to help the kids? For your

records, if you can go back, I can't give you the year, but I can almost give you the day, we took all of this to federal court and won. The court case is Riley verses AMBA (phonetic spelling). We had three volunteer lawyers that helped us.

1 10/24/06

We took this to federal court, and
we won in federal court. A group of
kids, the only one that testified
from the State of New York, was the
assistant to Riley. And I would
meet her in the ladies room, and she
would say, Shirley, we know you're
right, but we don't want to spend
the money. Well, you all spend the
money like mad and getting the

24

25

results are not what they should be.

I recommend that you look at that very carefully. The other thing is that the political part of education is amazing to me. people that get in control, to make decisions, either come of the school districts are making the problem. I'm not naming individual teachers. I've spent enough time with teachers training to know. Like the girl next door when she got her master's in special ed she said, you know, she calls me Aunt Shirley, I could

1 10/24/06

2

4

learn everything that I did in two
years in five days. Because she had
taken the training that we had, and

83

file:///G|/Inetpub/wwwroot/myweb/Legislature/clerk/cmeet/SE102406.htm (111 of 145) [10/31/2006 5:33:02 PM]

5	she knew what those kids really
6	needed. Now you can continue to
7	talk money, or you can start to talk
8	helping the kids and starting in
9	kindergarten and first grade and
10	teaching them the language. I ask
11	you how many of you know how many
12	types of syllables are in the
13	English language? Probably none of
14	you. I asked that to a person with
15	a doctorate in English and they
16	don't know it. I ask my six-year
17	old grandson and he knows it. Thank
18	you.
19	CHAIRMAN D'AMARO: Next on the
20	list is Arlene Barresi.
21	MS. BARRESI: Good evening. I'm
22	Arlene Barresi. I'm on the Middle
23	Country Board of Trustees. I want
24	to thank the commission for giving

1	10/24/06
2	suggestions.
3	The Suffolk County taxes
4	allows you to tax in and at
5	Middle Country we currently have to
6	borrow \$29,000,000. This would not
7	be necessary if the Suffolk County
8	Legislature issued quarterly
9	payments. It would not effect the
10	taxpayers since the money is in an
11	escrow account. It would save our
12	school district more than half the
13	interest of the getting have of
14	our tax relief in September would
15	save a million dollars. Nassau
16	County pays the county taxes four
17	time a year.

18	CHAIRMAN D'AMARO: Before you go
19	on, your taxes, you're talking about
20	the taxes increase
21	MS. BARRESI: Right.
22	CHAIRMAN D'AMARO: What is the
23	system now? What are the dates,
24	what are the times?
25	MS. BARRESI: I am not really
	0.5
1	10/24/06
2	familiar, but I know we don't get it
3	for September spending. We have to
4	borrow money.
5	CHAIRMAN D'AMARO: Right, and
6	when do you finally receive the
7	funds?
8	MS. BARRESI: Probably like twice
9	a year. Our spending comes quicker
10	than twice a year.

11	LADY IN AUDIENCE: We know that
12	the county is getting interest on
13	that money.
14	CHAIRMAN D'AMARO: Point of
15	information. You're talking about a
16	two-plus-two-stage system. I
17	believe the problem is that a
18	separate tax system for the school
19	district, as opposed to the other
20	tax municipalities, that have
21	perhaps a calendar year as opposed
22	to the school year which you start
23	in September. There have been a lot
24	of proposals for the two-plus-two
25	systems. One of the problems is the

1 10/24/06 2 first year you have to collect an

extra half of the year of taxes.

4	This is a one time, if you will,
5	problem that that needs to be dealt
6	with. There is no simple solution,
7	to my knowledge.
8	As far as Nassau County is
9	concerned they do have the
10	two-plus-two system. However, they
11	don't have it right either. They
12	don't pay in September. I believe
13	they pay in November. The
14	two-plus-two system is a good
15	system, theoretically. I sort of
16	support it, but have not figured out
17	a way to do it to get everybody on
18	the same page. It is not that
19	simple.
20	Thank you for raising that
21	issue. We appreciate it.
22	Next on the list is L-O, Louis,
23	possibly Joe Gorman.

which is one way that I think you 9 can save money and that is by 10 coordinating all the resources. 11 12 in order to get school districts, 13 and other municipalities, because it 14 should not be limited to join any kind of special fund you need a --15 I'm going to suggest that 16 candy.

you sit down with the other

committee and you suggest to them

that if the debt taxes repeal look

at perhaps maybe three percent on

every hundred thousand dollars of

wealth as a means of raising other

taxes. Look at some sin taxes. Put

together a healthy piece of change,

and then say to the municipalities,

_			
2			
3			
4			
5			
6			
7			

that are out there, if you join our purchasing group bring your employees, your benefits, in here.

Let's handle everything. You can also coordinate with BOCES, you can probably make a tremendous saving.

You can pass that on and you would have every right to offer those

10/24/06

10	types of incentives that you pick up
11	from the sin taxes, that would have
12	taken your taxes off of the property
13	owner, and it would put it in an
14	area where nobody is going to deal
15	with. Once you're dead, you're
16	dead, you know?
17	So, that is all I have to say
18	about that. I think it's a
19	worthwhile thing. I really hope we
20	do get a chance to talk to Steve
21	about that. Just think, all these
22	school districts out there and all
23	these administrators every now and
24	then, can you imagine if all the

transportation on Long Island was

89

1 10/24/06

2 handled by one source can you think

3 of the money we would be able to 4 save on the special busses which 5 cost \$35,000 a kid if we can cross 6 school district lines? I suggest that you give that some serious 7 consideration. 8 9 Also, I'm going to close, but I 10 want to mention something about 11 I always thought that the per that. 12 pupil cost is not the same thing as taking what the school district's 13 budget is. For example, 266,000,000 14 and dividing it by 15,000 students. 15 It doesn't take all those factors 16 into consideration. If there are 17 18 other factors in this, correct me if 19 I'm wrong, if it is a different 20 number I think people here are going 21 to look at that number and should

know that that is not exactly 100

we would have taken 70,000 students

percent of your expenses, or 100

23

16	from our wealthiest school districts
17	and compared them to 70,000 students
18	from our poorest school districts.
19	Also, taking into account the school
20	districts in the middle, because
21	there are brilliant kids just like
22	there are terrific athletes. And
23	there are kids and God Bless them,
24	they could be the most wonderful
25	human beings in the world, but if

10/24/06 1 they only have an IQ of 75 or 85 and 2 3 are just not going to get a regents diploma, but there's a financial 4 mandate that gives them -- but can't 5 give them a regular diploma. 6 Take 7 those into account. Really examine that report. Review everything, 8

9	understand what they mean when they
10	say "professional salaries". I
11	think you may come up with a
12	different view. You may want to
13	look at a little bit more
14	information than what is in this
15	report. Lou Koppleman, by the way,
16	in 1994, said when he turned around
17	he looked at their books he said
18	they were so confusing, there were
19	millions missing. He couldn't find
20	it. He had to give up. Thank you.
21	CHAIRMAN D'AMARO: Thank you.
22	The last card that I have, this
23	evening, is Mr. Philip Goldstein.
24	MR. GOLDSTEIN: First of all I'd
25	like to concur with some of the

10/24/06

2 comments that were made. I have a long history of involvement in local 3 government and county. None of you 4 5 appear to recognize me, nor do I 6 recognize you. But for many years I 7 attended the county legislature and a former presiding officer referred 8 9 to me as Jiminy Cricket. The point 10 that I'm making is this. I attended 11 meetings that went on into the wee 12 hours of the morning, because our 13 elected representatives, who we 14 employ, at least had the courtesy, 15 afforded us the opportunity to fully 16 express our thoughts, and I don't think it is right for you to give 17 greater credence to somebody because 18 19 of a title that they bear and not 20 afford the members of the audience, 21 especially who took the time and

themselves the opportunity to fully 23 24 Enough said. do so. 25 In so far as my own bona fide --93 10/24/06 1 2 concerned I have 30 plus years in 3 the New York City School System, where I helped to create the United 4 Federation of Teachers. I am, also, 5 a founding father of the 6 Independance Party of the State of 7 Insanity 8 New York, aside from that. is evidenced when somebody 9 10 attempting to accomplish something 11 engages in the same practice over and over again, despite the fact 12 that he does or she does not succeed 13 in accomplishing the goal. Tonight 14

trouble to come here to express

I heard talk about a traditional system and the concerns of the costs in maintaining that traditional system, and a few people, who you squelched, tried to point out to you that there are other concerns that ought to be addressed, not just simply dollars. That is one of the things I want to speak about, and that is the failure of the system.

Let me give you a simple concrete

1 10/24/06

example. Let's take a 30 minute

television program. Stop and think

about the production of the 30

minute television program. I use

that as an analogy with a classroom

teacher who produces a 30 minute

8 program in a sense and performs that program in their class before a 9 limited audience. 10 11 Millions of dollars are spent to produce that one 30 minute program. 12 13 The responsibility for the 14 production is divided up amongst a host of specialists. You have 15 16 writers, you have actors, you have technicians, you have producers, et 17 cetera and so forth. But oft time 18 19 the end result is the fact that somebody sitting in front of their 20 21 television set picks up their remote 22 control and zap. There goes all of 23 that money, all of that time and 24 effort and energy, because the 25 audience was not receptive.

1 10/24/06 2 think of a classroom teacher. I was responsible for producing five 30 3 minute programs a day, five 4 days-a-week, for 30 plus years. 5 Who 6 in the world has the talent, or the 7 capability, to sustain themselves 8 and do such a task. It flies in the 9 face of reality. You ignore the 10 changing world in which we exist. 11 Thank you one minute. I don't 12 know why I bothered to come if I'm 13 not afforded the opportunity to 14 fully express my ideas. The point 15 that I'm trying to make is this. In 16 the post Korean war era technology 17 impacted our society and did 18 horrendous things to our education system. Number one, is putting an 19

end to the fact that young people

and maintain their personal dignity because they could go out and get a job. We wanted to lay sewer pipe.

25

1

2

3

4

5

6

7

8

9

10

11

12

13

24

We have 20 men with picks and

96

10/24/06

shovels, and they dug a ditch and lay a sewer pipe. Then along came the backhoe and 20 men no longer had employment, because one man with a backhoe could dig that ditch and the world changed. But, at the same time, the educational system was told, hey, what are we going to do with all these kids who used to drop out and had the dignity of employment. We can't employ them anymore.

14	CO-CHAIR LOSQUADRO: Number one
15	I was on the legislature when you
16	used to come and speak. You may no
17	recognize me, but I certainly
18	recognize you when you came in.
19	Your time has expired, but we do
20	have a question from one of the
21	members of the town, if you would
22	indulge him?
23	MR. BYRNE: It is not so much a
24	question. I just want to know, the
25	people in the front row, a lot of

10/24/06

those people are personal friends of mine. I don't think anybody up here is given a time differential. I don't want you to think that is the

6 case. That is not the case. The

7	second thing is a lot of things that
8	these people are saying I happen to
9	agree with, but I don't know if this
10	form is the forum where we're going
11	to change the entire system in the
12	United States of America. What
13	we're trying to do is
14	MR. GOLDSTEIN: The Suffolk
15	County Legislature is famous for the
16	fact
17	CO-CHAIR LOSQUADRO:
18	Mr. Goldstein, please do not
19	interrupt the gentleman. He is
20	giving you the courtesy of asking
21	him a question. Please do not
22	interrupt him.
23	MR. GOLDSTEIN: But he is making
24	a point that is erroneous, and I
25	cannot allow him to continue.

1 10/24/06 2 CO-CHAIR LOSQUADRO: You can 3 allow him that. He is asking you a question. Please, sir, finish your 4 5 question. 6 MR. BYRNE: Again, I am not 7 trying to start an argument. What 8 I'm trying to say is we're trying to pick this apart bits and pieces and 9 10 get things done. I'm not paid to be up here. I don't know anybody who 11 12 is. We're not against you. We're not your enemy. We're trying to 13 14 find some solutions here. I feel 15 that you're, like, mad. I'm mad, 16 I'm a taxpayer. I'm afraid 17 for everybody in this room. I don't

know if we're going to get anywhere

if we're going to yell at each

18

20	other. I don't think that anybody
21	is getting a different allotment of
22	time.
23	That's what I'm trying to say.
24	Okay.
25	MR. GOLDSTEIN: Hip, hip hooray.
	99
1	10/24/06
2	And, thus, whatever I have to say
3	will be for naught. I won't even
4	get to finish what I have to say.
5	At least I would like to think there
6	is a certain amount of logic to what
7	I was saying. Oft times when I
8	would speak before the legislature I
9	would get applause from my fellow

citizens in the audience who had

appreciation for the things that I

was saying, and that is why I was

10

11

13	referred to as Jiminy Cricket,
14	because the presiding officer felt
15	that I served as the conscience to
16	the legislator.
17	CHAIRMAN D'AMARO: Thank you, Mr.
18	Goldstein. We appreciate your
19	coming in.
20	We do have a couple of
21	additional cards filled out. Next
22	is Robert Donato.
23	MR. DONATO: Good evening.
24	Well, we're here for
25	recommendations, so I'm going to
	100
1	10/24/06
2	give you a few. Seems we have 70
3	school districts on Long Island. I
4	think that is excessive. I was
5	before a system

0	CHAIRMAN D'AMARO. IN SULLOIR.
7	MR. DONATO: Sorry, in Suffolk.
8	I was before a system of town
9	school districts, in other words,
10	Islip Town, Smithtown School
11	District, Brookhaven School
12	District. That would eliminate 70
13	down to a dozen. I think that would
14	be a big savings. Reduce the number
15	of administrators. According to a
16	Newsday article Bay Shore has 31
17	administrators, Half Hollow Hills 50
18	administrators, Brentwood 91
19	administrators. I can't imagine 91
20	administrators running around the
21	school finding things to do. I'm
22	not familiar with the school
23	district. It seems insane to me to
24	have these many people employed with
25	lavish perks and cars and benefits.

1 10/24/06

2	It's crazy. I think there should be
3	more contribution towards the
4	medical expenses, towards retirement
5	plans, maybe switch to a 401K
6	System, and if you do make any
7	changes it is important to write the
8	legislation properly so it does not
9	disrupt the school student location.
10	In other words, in Islip Town you
11	don't want to switch a kid from
12	Oakdale to Brentwood just to spite
13	him because of property taxes to
14	switch kids around. Maybe we should
15	cap some salaries. Teachers deserve
16	to get paid well. Of course we all
17	do making \$200,000 a year. It is
18	a little excessive. It is getting

19	out of hand. The older
20	administration seems to be steeling
21	money from kids. Older
22	administration, older perks, older
23	salaries. It's too much. It should
24	be controlled. In York County,
25	South Carolina they passed a

102 10/24/06 1 property tax relief law with a new 2 3 one cent sales tax. They hope to fund the schools almost in entirety. 4 5 It is brand new, so they don't have 6 any results yet. 7 That's it. Some suggestions I 8 have. Do the best you can, please, 9 we need your help. 10 CHAIRMAN D'AMARO: Thank you. The last card we have is Joan 11

12	O'Grady.
13	MS. O'GRADY: Hello, my name is
14	Joan O'Grady and I'm here
15	representing the Middle Country
16	Legislator Committee. On that
17	committee I represent the senior
18	citizens in our district. I am the
19	financial secretary for the Middle
20	Country Retirees Association. We
21	have, approximately, 420 case
22	members, must be about maybe half or
23	a little bit less of those total
24	retirees. I can tell you the fact
25	that 283 of those 420 have left the

2	state. They have gone, retired to
3	tax friendly areas, Florida, South
4	Carolina, North Carolina, Virginia.

10/24/06

5 All those states. We send them a 6 letter four-times-a-year. I write 7 it and call it News from Home, and 8 almost any person who gets it will 9 write me back and tell me how much 10 they miss being on Long Island. 11 Those people that left left because 12 of taxes. I'm sure that more than 13 half the them would be snowbirds if they could go down and spend their 14 winters down there. They want to 15 come home. A lot of them have come 16 17 back to Lake Ronkonkoma, back to 18 Medford. They want their friends, 19 their family. They want their Long 20 Island. 21 Long Island is one of the best 22 places to live in so far as 23 geography. We have a few months of 24 winter. Many of us love the winter.

10/24/06

2	with them their state pensions. It
3	is money that New York State is
4	paying them, and they're is spending
5	it elsewhere. Dollars for medical
6	and money for doctors are all down
7	there. They're not paying our
8	doctors. They're paying it down

Now many of us still here on

Long Island remember the years when

we had to pile on school buses and

travel to Albany and beg for more

money. It's been done to this day,

and low and behold a day before the

budget votes for the school budget

along comes a million and a half

there, and they left for that.

dollars from the state. If is was
there the day before why wasn't it
there the month before. We always
have to beg. Nine times out of ten
we get it. We get if from the
representatives. Senator Flanagan
has been wonderful, Englebright.

25

10

105

1	10/24/06
2	have to go to each one of them and
3	beg. We need a planetarium. It is
4	a beautiful planetarium. It has no
5	equipment because technology has
6	changed so quickly we can't keep up
7	with it. So, we ask for that. We
8	need ecologically sound buses. We
9	have to go beg for all that money.

They have all been wonderful. We

The money is up there. It is up in

11	Albany.
12	What we feel is that the formula
13	for doling it out is wrong. As
14	Mr. Bixhorn has said, our shares
15	have not changed. They remained
16	12.7. Something is wrong.
17	Something is absolutely wrong here,
18	and more money is leaving the state
19	because of the taxes on Long Island.
20	As a senior citizen I don't like
21	to be in the position, and as a
22	senior citizen I have to tell you it
23	is taxing us out of existence here.
24	Thank you.
25	CHAIRMAN D'AMARO: Thank you.

106
1 10/24/06
2 Anyone else would like to address
3 the committee who has not done so

4	already? Okay then, I guess that
5	concludes the public portion of this
6	evening. I, again, want to thank
7	you on behalf of all the commission
8	members, everyone. I know it is
9	difficult to find time and your
10	participation is essential. I
11	personally appreciate that, and I
12	assure you that we will take all
13	your comments under advisement and
14	consider them very carefully.
15	Thank you and have a good
16	evening.
17	(Time ended: 8:00 p.m)
18	
19	
20	
21	
22	
23	

107 1 2 CERTIFICATE. 3 4 STATE OF NEW YORK ) :ss 5 COUNTY OF SUFFOLK 6 I, KATHY J. DROSSEL, a Notary Public 7 within and for the State of New York, do hereby 8 certify: 9 10 THAT, the minutes from this committee meeting are hereinbefore set forth, and that 11 such testimony is a true record given by such 12 13 testimony. I further certify that I am not related 14 to any of the parties; and that I am in no way 15 interested in the outcome of this matter. 16